



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

April 30, 2008

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: 
William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

SACRAMENTO UPDATE

Assembly Budget Subcommittee Hearing on the Safety Net Care Pool

Assembly Budget Subcommittee No. 1 on Health and Human Services held a hearing on April 28, 2008 on various Medi-Cal issues, including proposals by the Governor and the Legislative Analyst's Office (LAO) to shift over \$70 million in Safety Net Care Pool (SCNP) funding designated for public hospitals to fund other State programs.

A representative from the County's Department of Health Services testified that these funds are not only crucial for our County hospitals, but also to the private hospitals which are serving patients who otherwise would have been treated at Martin Luther King-Harbor Hospital. If the Governor's and LAO's proposals are adopted, the County could lose up to \$33.5 million annually, which would result in up to 90,000 lost outpatient visits each year.

Assembly Member Hector De La Torre expressed concern about the lost SNCP funding for Los Angeles County public and private hospitals, especially in the underserved South L.A. corridor. He indicated that Los Angeles County cannot afford to have any additional hospital closures beyond the ten that have closed their doors over the past five years. The Subcommittee did not take any action on the item.

Pursuit of County Position on State Budget Item

Office of AIDS – AIDS Drug Assistance Program (ADAP) – County Jails

Counties are currently reimbursed for HIV/AIDS therapy provided to inmates in county jails through the AIDS Drug Assistance Program (ADAP), a federally funded prescription drug safety-net program for people with HIV/AIDS with limited or no access to needed medication. On April 14, 2008, Senate Budget and Fiscal Review Subcommittee No. 3 on Health and Human Services considered a staff recommendation that because expenses for support of prisoners in county jails are a county responsibility, the Office of AIDS should report back to the Subcommittee at the May Budget Revision on a proposal for counties to pay the State for ADAP services provided to county jail inmates.

A representative of the Sheriff's Department testified that the majority of those prisoners accessing ADAP services in the jail were actually State prisoners awaiting transportation to State prison and questioned the appropriateness of shifting this cost to counties. This proposal is likely to be addressed in the Governor's May Revision and in the Legislature's subsequent State Budget deliberations.

The Department of Public Health (DPH) indicates that interrupting HIV/AIDS therapy in jails increases the risk of transmission and presents an extreme risk to the public health. Individuals with levels of HIV controlled by appropriate therapy are far less likely to transmit to others. Conversely, other inmates within county jail systems are at risk of infection by an HIV positive individual that is not receiving the appropriate therapy. In addition, spouses and other sexual partners are at risk of infection upon release of the incarcerated individual. Adherence to HIV therapy also decreases the likelihood that HIV will mutate into drug-resistant strains and that these strains would be transmitted to others. DPH concludes that uninterrupted HIV therapy, which would be compromised by this proposal, is extremely important to halting disease progression.

The Office of AIDS reported that statewide ADAP expenditures for county jail inmates were \$5.5 million in FY 2006-07, the most recent period for which data is available. As nearly 50 percent of the jail inmates receiving ADAP services reside in Los Angeles County, DPH estimates that this proposal would result in a loss to Los Angeles County of over \$2.5 million. Consistent with the County's position to seek restoration of the Governor's proposed funding reductions, including ADAP program reductions, **our Sacramento advocates will oppose this proposal to shift to counties the cost of providing ADAP services for inmates in county jails.**

Status of County Advocacy Legislation

County-opposed AB 2702 (Nunez), as introduced February 22, 2008, which would allow Community and Mission Hospital of Huntington Park and two other standby emergency departments (EDs) to receive money from the Maddy Emergency Medical Services Fund, passed the Assembly Health Committee on April 29, 2008 by a vote of 12 to 3, and now proceeds to the Assembly Appropriations Committee. A representative from the County's Health Department testified that AB 2702 would have serious and negative consequences for the County's EMS system by providing incentives to basic EDs to downgrade to standby ED designation because their physicians would receive the same funding. The California Chapter of Emergency Physicians also testified against the bill.

We will continue to keep you advised.

WTF:GK:MAL
DD:IGR:hg

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants